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ABSTRACT

Suggestions are offered on establishing an effective board of trustees for colleges and universities. The first step in improving a board must be review of the mission and status of the institution. Four steps in this process are to decide what is wanted and needed on the board, establish a search-and-recruit procedure, establish an orientation procedure, and establish a procedure for terminating service. Deciding on the composition of the board involves two dimensions: considerations about diversity of the board and the individual talents or professional backgrounds that a good board needs. Questions that should be addressed concerning board composition, include recruitment of women and minorities, faculty and students, and skills and knowledge needed by board members. It is suggested that a profile of the existing board be prepared on paper in order to clarify where the board is strong, adequate, and weak. An illustration showing the format for a typical profile is provided. Some advice is offered about choosing new members from over-recruited groups like alumni and parents, individuals who have reached the top of the career ladder, and persons who are already overcommitted. The importance of inviting the selected individual in a way that makes clear the expectations for the person if he joins the board is emphasized. Orientation of the new trustee, involvement in projects, some considerations concerning lay board members at church-related colleges, conflict of interest, and terminating members who have lost their effectiveness are covered. (SW)

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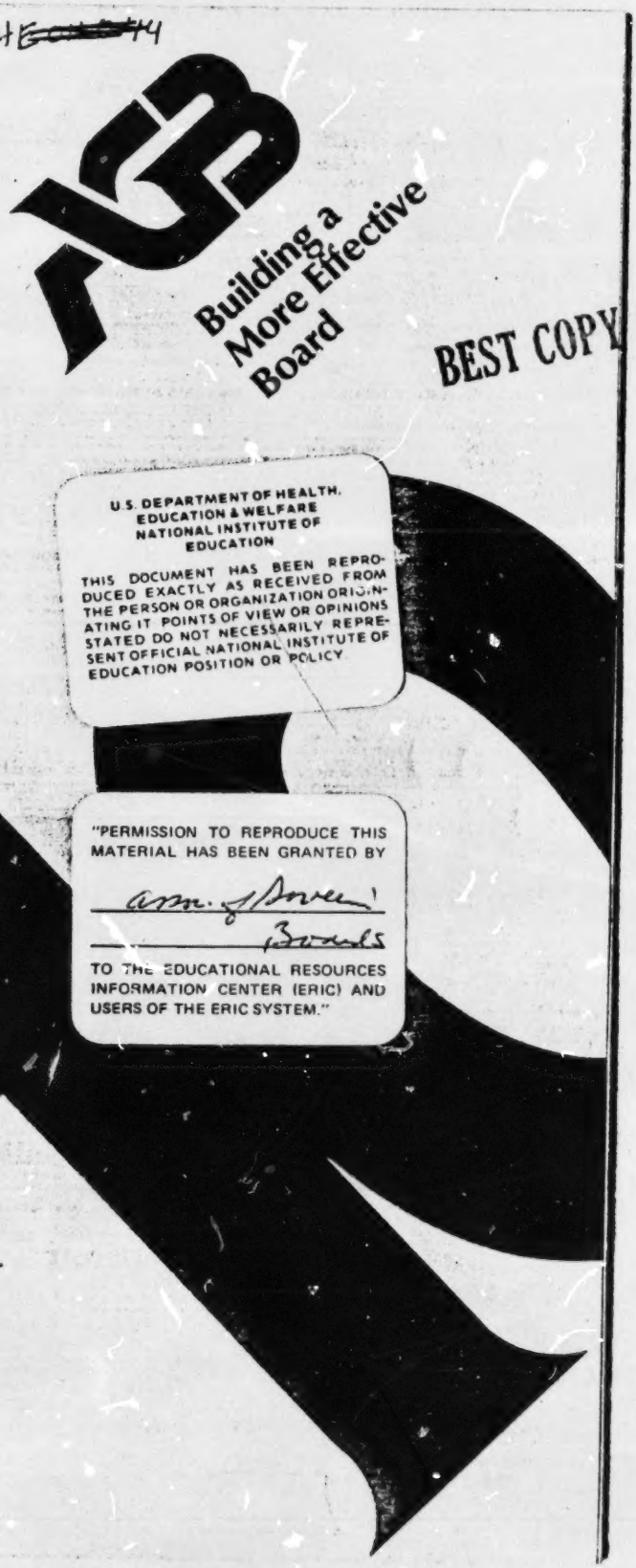

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Association of Governing Boards of Universities & Colleges

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Robert L. Gale is president of the Association of Governing Boards of Universities and Colleges. This publication is based on remarks delivered at a workshop sponsored by the Council for the Advancement of Small Colleges and AGB.

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Building a More Effective Board

I remember a discovery we made back when I was Director of Recruiting in the Peace Corps. If we succeeded in picking the right volunteers to go overseas, they did a good job even if the programming and training weren't perfect. On the other hand, if the programming and training were 100 percent successful but we chose the wrong people, they didn't produce.

I think the same thing is true for college and university trustees. A strong orientation program will always help, but if you don't succeed in getting the right people on the board in the first place, orientation won't help enough. Yet I've found that an amazing number of boards of private institutions do not even have nominating committees. Selection of new members is done on a casual and even impromptu basis: "We're short a couple of board members—got any ideas?" "Well, I just saw Joe Smith last week—what about him?"

That isn't the way to go about it, and one of the things most wrong with that haphazard approach is that the president is liable to be left out of the process. Even when a board has a nominating committee the president is sometimes not adequately consulted. A board doesn't have to be made up of the president's friends, but it should have on it the kinds of people that the president feels can contribute significantly to the well-being of the institution and with whom the president feels compatible.

The president must be included in the recruitment process for another reason. The first step in improving a board must be review of the mission and status of

the institution. What kind is it, public, private, local, regional, national, church-oriented? What are its prospects, needs, problems? Where should it be headed? These are concerns the president and board must examine together. Once they agree on the fundamentals of their joint enterprise, they can move to the nominating committee stage, and begin consideration of board composition.

In doing so they may proceed in four steps:

1. Decide what they want and need on the board.
2. Establish a search-and-recruit procedure.
3. Establish an orientation procedure.
4. Establish a procedure for terminating service.

Governing board composition

The problem of board composition breaks down into two separate dimensions, first, what we usually call diversity, the personal characteristics of age, sex, ethnic and geographic background, alumni status, and other considerations involving balance; and second, the individual talents or professional backgrounds that a good board needs.

On diversity, one thing that a board should ask itself is, are we a local, regional, or national institution? For a small college that gets the lion's share of its students and its financial support from a limited area, it makes little sense to try to achieve a wide geographic representation on its board. On the other hand, a regional or national college or university should recruit a regional or national board.

In respect to recruitment of women and minorities, I think there is universal agreement on the need to continue and expand our efforts. The 1977 AGB board-composition survey shows gains for both, especially minorities, for whom in 10 years the figure on board membership grew from 1 percent to 7 percent as compared with an increase of only 13 percent to 15 percent for women. The number of trustees over 50 years of age is still high—two out of three, down from three out of four in the previous survey. Only one in ten is under 40 (compared to one in 20 before, however).

Faculty and students on boards

The pressure for direct board membership for faculty and students has decreased considerably in the last year or two, but a number of institutions are still considering such additions in spite of what most students of governance feel is an unavoidable conflict of interest. One solution in the case of the need for faculty input is to add a faculty member from another, perhaps similar, institution. Such persons can supply a faculty viewpoint and a faculty knowledgeability that can be very helpful, without creating a conflict of interest. Another technique is to involve faculty and students on board committees where the real work of the board should be done. Generally such committee membership provides more voice and influence than full board membership would anyway.

Individual talents

To turn to the individual talent and background characteristics that are important to the institution, the first thing most boards want and need among their members is the ability to give money, or get money, or both. Second is the ability to deal effectively with the money when you get it, whether it's from tuition, endowment income, gifts or government grants. The two abilities don't necessarily go together, by the way.

Another characteristic that a board should find among some of its members is an intimate knowledge of higher education. The obvious source for this type of trustee is the faculty or administration of another institution. Some board members fear that putting another president on the board can cause friction with the president of the institution, but that is unlikely. On the contrary, a president as board member can be very helpful to the institution's president because he or she can say things from a chief academic administrator's point of view that the institution's president may hesitate to say.

Some board members should be knowledgeable in marketing—a word we hardly dared use just a few years ago, but one that has become very important. Today's institutions must be able to determine their markets, for the benefit of both potential students and potential donors. And, once the market is determined, the college must be able to "sell" itself. Public relations is thus another kind of trustee background that can be of value, and not only in marketing, but in dealing with the institution's many constituencies. In admissions marketing—finding the right students for your institution—ethnic diversity on the board can be of real help in recruiting a diverse student body. If an institution has a natural Hispanic constituency, for example, a Spanish-surnamed board member can be invaluable—provided he or she is also knowledgeable about the constituency and how to relate its needs to the institution's capabilities.

With today's government involvement, both state and federal, in even the private sector of higher education, it's good to have a few people who know their way around the state capitol and Washington. And, because of the escalation in the number of lawsuits in recent years, a lawyer or two is very much in place on a modern governing board. Today I think a doctor may also be helpful, because of the increasing importance of health care as a national issue.

Finally, it's an excellent idea to recruit members of the board who have an acquaintance with physical plant problems, now critical on so many campuses. The plant may be your biggest single asset, and a good board should have the competence to protect it.

Profile your board

To these requirements add any special needs your institution has, for example, a religious orientation. Now try putting down on paper a profile of the existing board. This exercise will show you where you are strong, where you are adequate, and where you are weak. The format for a typical profile might look like this:

Board Profile for Mythical National College
Winnetka, Illinois

Categories	Present Membership	Possible Vacancies 1979	1980	1981	1982	Total
Age						
70 and over						
60-69						
50-59						
40-49						
30-39						
Under 30						
Sex						
Female						
Male						
Race						
Black						
Other Minority						
White						
Occupation						
Banking						
Business						
Education						
Government						
Law						
Medicine/ Dental/Health						
Nonprofit						
Religion						
Retired						
Other (Specify)						
Geographical Distribution						
Winnetka						
Chicago Area						
Milwaukee						
New York						
Midwest						
East						
West						
South						
College Relationship						
Alumni						
Parents						
Other						
Financial Position						
Independent						
Salaried						
Other						
Church Affiliation (if church related)						
Length of Service						
Over 10 years						
5-10 years						
2-5 years						
one year or less						

Identifying new members

If your board profile shows that you have all the existing needs fairly well covered, you might go a step farther and ask yourself if there is a kind of person you've never had who might be of value. Do you have reason to think you could raise money in New York, or Chicago, or Dallas? Would it be helpful to have someone from such an area on the board?

Does your board, like many, depend too heavily on alumni? Because they have a built-in interest, alumni and parents tend to be over-recruited. Church-related institutions think of church leaders, but every board needs to recruit outside the family. Local community representation is very important, because every college or university is part of its community, and every member of that community or state should have some loyalty to the local institution.

Be wary of making a choice who merely sounds good and isn't on anybody else's board, and perhaps would like to have the trustee title to add to vita credits. How does the person stand in the community, in his or her business or professional field? Is this person a leader, or a coming leader?

A good tip here is that generally speaking it is not advisable to go after someone who has already reached the top of the career ladder. Such a person is likely to be overcommitted already, and even if you don't get a turndown, you are liable to end up with someone on your board who is too busy to be of real help. Try to develop a knack for picking "comers," those who are moving up rapidly and are ready for top positions in their chosen field. Get them committed to your board before they reach the top.

The person who is already overcommitted often proves a particular disappointment. Again and again I've heard the complaint, "So-and-so was on four boards, so we were sure he would be good. But when he got on our board he didn't do anything." In a case like that I usually say, "If you had called the executive directors of those other four boards you would have found that the reason he could take on a fifth board membership was that he wasn't doing anything for the other four." The time to find that out is before you offer the invitation. Check volunteer references, just as if you were hiring a staff member.

The invitation

Once you've identified the prospective board member, how do you approach him or her? The first thing to do is to determine whether your prospect is well enough acquainted with your institution to be approached immediately, or whether some cultivation is called for. If the latter is the case, a good approach is to assign the process to a present board member, if possible an acquaintance of the prospect. Even board members who don't like to help in fund-raising or other areas are nearly always happy to do this kind of job, which generally means taking someone to lunch with the president, to a campus event, or whatever, talking about the college, sounding out interest.

When it comes time for the actual invitation, don't make the mistake of being too casual. If you telephone or send a letter, you may run the risk of losing your prospect. If possible make a personal call, using the best team you can put together, perhaps the president and board chairperson, or the president and a board member who is a friend or business associate.

The reason for the formalization is that only in a somewhat formalized setting can you make clear that you want something more from the person than another name on a letterhead. If you give the impression that that's all you want, and then later bring up committee work, giving, or fund-raising, your new recruit has a right to feel you've cheated: "That isn't what I was told when I was invited to join the board."

A simple and effective way of making sure there are no misunderstandings is to give the prospective board member a written document spelling out what you expect. My suggestion would be for each board to develop its own such document, and at the same time to give the person a copy of AGB's Pocket Publication No. 1, John Nason's "The

Trustee's Ten Responsibilities," which gives an overall summation of what governing board membership entails, regardless of the type or special character of the institution.

Each new member should be sought for a reason, and the reason should be part of the invitation: "We need you because—" The rest of the board should also know the reason.

Orienting the new trustee

All right, you've been successful, you've recruited a potentially valuable person for your board, and you've made sure he or she knows that there are definite responsibilities attached. Now what you must do is show the new trustee how to go about discharging those responsibilities. Too often a good person spends two or three years on a board without ever really coming to grips with what's going on. Such a waste of time and talent can't be tolerated in today's climate.

Usually, orientation should be in the province of the nominating committee. The committee need not perform the orientation, but it should oversee it. An officer of the college may be the best person to do the job, with the aid of appropriate materials.

Don't load the new trustee up with literature. Give them something that looks like the *Encyclopaedia Britannica* and they not only won't read all of it, they won't read any of it. At AGB we've developed a simple New Member Package that will do most of the job for you, and coming from an outside source it may be especially effective. It includes John Nason's brief "Ten Responsibilities," a special booklet for New Trustees, and J. L. Zwingle's essay, *Effective Trusteeship*. Add to this the key information about your own institution, its mission statement, a copy of the bylaws, plus minutes of the past few board meetings.

Next, you need to get the new trustee involved in your campus. A training session in conjunction with the first board meeting is a good, practical idea. The president, the board chairperson, and the chairperson of the nominating committee can get together with the new trustees before the meeting and show them around the campus, explaining some of the problems and prospects. Some institutions have a trustee-in-residence program, which is open to all trustees, new and old, but emphasizes the new by requiring each trustee who joins the board to be a trustee-in-residence sometime in the first six months of their tenure. This orientation should be at least an overnight program, involving meetings with students, faculty, major staff persons.

Another very useful experience for a new trustee is to get together with trustees from similar kinds of institutions at one of AGB's regularly scheduled seminars for new trustees. And I would suggest that they be urged to attend our National Conference on Trusteeship in the spring, or our National Workshop in the fall, where they can get some counsel from veteran trustees, raise questions and talk things over, as well as be exposed to current issues.

A technique that some boards use for orientation is the buddy system—assigning to each new member of the board a trustee who knows the ropes, to answer questions, introduce other members, go over the agenda of the upcoming meeting, serve as campus guide and generally help break the ice and encourage participation. Choose a buddy who promises to be compatible with the new member. New trustees are alike only in their newness. Orientation can't be canned.

Using the new trustee

Now that you have the new persons interested and excited about being on your board, they may experience a sense of anticlimax if you don't put them to work. A good solution is to put the new member on an active committee. An ideal assignment can be an ad hoc committee that has just been organized to tackle some problem that needs looking into on a six-month or one-year basis. If you don't have such a committee available, it's wise to take a good look at your new recruit before you make an assignment to one of the standing committees. Often, the obvious

choice isn't the right choice. For example, bankers almost inevitably get ticketed for the Finance Committee. They may belong there eventually, but it's often better to start them out on the Academic Affairs or Student Affairs Committee, where they will get a sense of what the institution is about.

Since private college boards tend to meet infrequently, it's important to do something special to keep in touch with new trustees. A good idea is for the president or board chairperson or both to make a phone call or a lunch date at the end of a few months, both to tell the new member what's going on and to listen to questions now that he or she has had a chance to think about the role. This is also a good time to do a little sounding out. You may have the new trustee classified and pigeonholed on the basis of vita information but you may discover an interest you don't know about. Give new persons a chance to volunteer for something—you may get a pleasant surprise.

Finally, let me turn briefly to some special problems in building a strong and effective board.

Church-related colleges

First, there's the problem of the church-related institution where the board is permitted few or no lay members, and yet where there is a need to involve lay people in the institution. One way is through an Advisory Committee. The president should work closely with such a committee, so that the members feel that what they are doing will have some impact on policy, even though they have no legal authority. Such an Advisory Committee can make a real contribution if given special duties, leadership, staff backup and a sense of importance.

On a divided board in which the lay members feel themselves outnumbered, or outmuscled, by the ecclesiastical members, they may only need some encouragement to speak up. If the president and board chairperson help the lay people to feel that it's their institution too, they'll start joining more fully in the discussions and will become more active in the college's affairs.

If the number or percentage of clerical members is set by the charter or the denomination, it is sometimes possible to increase the overall size of the board so that enough lay members can be recruited to perform the essential tasks—such as fund raising!

Conflict of interest

Every board must establish its own policy in respect to conflict of interest. Possible options include prohibitions on voting on certain questions where a trustee may have an interest; simple disclosure, either public or internal; and formal affirmation of a policy of avoiding improprieties. The board's position should be part of the orientation process. AGB has a recommended conflict of interest statement you may find useful.

Dealing with dead wood

One of the most difficult problems for most boards has been that of weeding out people who have lost their effectiveness or, in some cases, perhaps never should have been on the board in the first place. One solution is to have a chairperson strong enough to ask the person to step down, by saying something like, "Apparently your other interests have kept you from being more involved with the college," without creating resentment.

Age limitations and term limitations are sometimes easier solutions, though with them you run the risk of losing a few good people. For example, a mandatory retirement age of 72 coupled with a limit of three consecutive three-year terms could be inserted in your bylaws. When particularly effective members get to the end of the final term, they can be told that they will be elected to the board once again in a year. Even this can be dangerous, though—I know an alert board chairperson who "pirated" a trustee on sabbatical from his original board.

The inactive board

If you have a board that seems to have more ineffective than effective members, you should, of course, review your selection procedures, but there

are also some things you can do immediately to help. Too many boards only meet three times a year from 10:00 a.m. to 12 noon, have lunch and go home, without ever meeting any students or getting exposed to the faculty. The board members are simply not made to feel part of the institution. Some of the suggestions made earlier for involving new board members can be used to reinvolve old ones. Also, the board agenda can be restructured.

Consider having a retreat once a year. One technique for doing that is available through AGB—the Board-Mentor Service, through which you can have an experienced, trained volunteer outsider come to your campus and provide leadership for a one or two-day session on board roles and responsibilities. We've conducted a great many such sessions now and the results have been very gratifying.

We have another device that many boards have now used successfully, the Self-Study Guidelines and Criteria. A special set has been designed to be used by boards of private institutions. Essentially the guidelines provide a simple way for individual board members to check out whether they are doing the kind of job they should be doing.

All of these things are helpful—improved agendas, retreats, self-study, evaluations—but there still is no substitute for the basic ingredient for having a strong and effective board: make sure you recruit good people in the first place.

This booklet is the tenth in a series, AGB Pocket Publications, designed to give both new and experienced trustees concise, summary information on subjects and issues of high significance to governing boards.

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